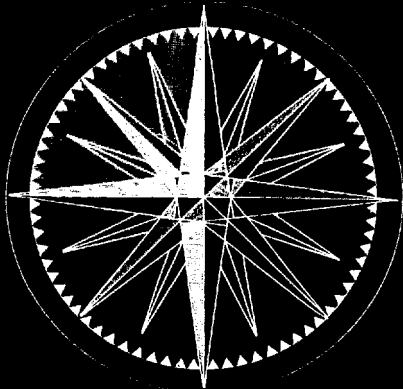


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11 February 1966

OCI No. 0276/66

Copy No. 71

WEEKLY SUMMARY

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

State Dept. review completed

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GROUP 1 Excluded from automatic
downgrading and declassification

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Ankara objects to the recent communiqué which insisted on keeping open the door for uniting Cyprus with Greece. Any early negotiations or mediation seems unlikely.

LONDON TIGHTENING ECONOMIC VISE ON RHODESIA

22

The rebel Rhodesian regime has thus far been unable to get around the British-inspired oil embargo, and London now is trying to prevent the marketing this spring of Rhodesia's major export crop, tobacco. Zambia seems inclined to postpone a total economic break with Rhodesia.

Europe

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UNREST IN BELGIUM

23

Following the King's intervention last weekend to avoid a government crisis, the prime minister has again offered his resignation. Any successor government will find it just as hard to cope with the ethnic and religious sensitivities which pervade all political activity in Belgium.

Western Hemisphere

URUGUAY CONSIDERS SOVIET TRADE OFFER

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Moscow's advantageous offer is probably intended to offset the unfavorable Uruguayan reaction to Soviet actions at the Havana Tri-continental Conference. It may also be designed to impede Uruguay's negotiations for a \$15-million standby agreement with the IMF.

ECUADOREAN DEMONSTRATORS FAIL TO BRING OFF MASS PROTEST

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The inability of political groups to incite an effective protest against the junta's plans for transition to civilian rule may increase coup plotting

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CUBAN-CHINESE RELATIONS DETERIORATING FAST

26

Castro may expel Chinese Communist press or information representatives in the wake of his stinging denunciation of Peking on 6 February, but formal diplomatic ties are likely to be maintained for the time being.

OPPOSITION CANDIDATE WINS COSTA RICAN PRESIDENCY

27

The ruling party, however, retains a slim majority in the legislature and has not conceded defeat in the presidential contest. Any attempt by it to void the election results would probably be resisted and lead to violence.

THE DOMINICAN SITUATION

27

The possibility of a negotiated solution to the civil-military confrontation has become more remote following the outbreak of violence between the national police and the Communist-controlled Dominican Student Federation on 9 February and a stiffening of Defense Minister Rivera's terms for leaving the country.

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VIETNAM

Military activity in South Vietnam continues in the pattern sustained since the end of the Tet holiday period on 24 January: the initiative remains with the allied forces, with major operations taking place in Quang Ngai, Binh Dinh, and Phu Yen provinces.

Although coordinated offensives in southern Quang Ngai and northern Binh Dinh are being conducted in enemy-controlled areas suspected of harboring several Communist regiments, most of the action to date has consisted of numerous skirmishes involving relatively small enemy units. Allied forces providing security for rice harvesting in Phu Yen Province, however, have engaged battalion-level Communist forces on several occasions. The three offensives to date have resulted in enemy losses of more than 1,500 killed and 250 captured.

Although Viet Cong activity returned to a high level on the first day after the Tet holiday cease-fire, it has since been declining gradually. Total incidents initiated by the Viet Cong last week, of which nearly one third were antiaircraft fire, declined for the second consecutive week. The most significant enemy actions were initiated in the delta region south of Saigon. Battalion-level attacks reported in Dinh Tuong Province on 2 and 7 February resulted in more than 250 government troops killed, wounded, or missing. Despite these and other enemy attacks, the over-all intensity of Viet

Cong activity is low in comparison with that sustained during the three months preceding Tet.

South Vietnamese Politics

There were no significant political developments in Saigon while Premier Ky and other ranking government officials conferred with President Johnson in Hawaii this week.

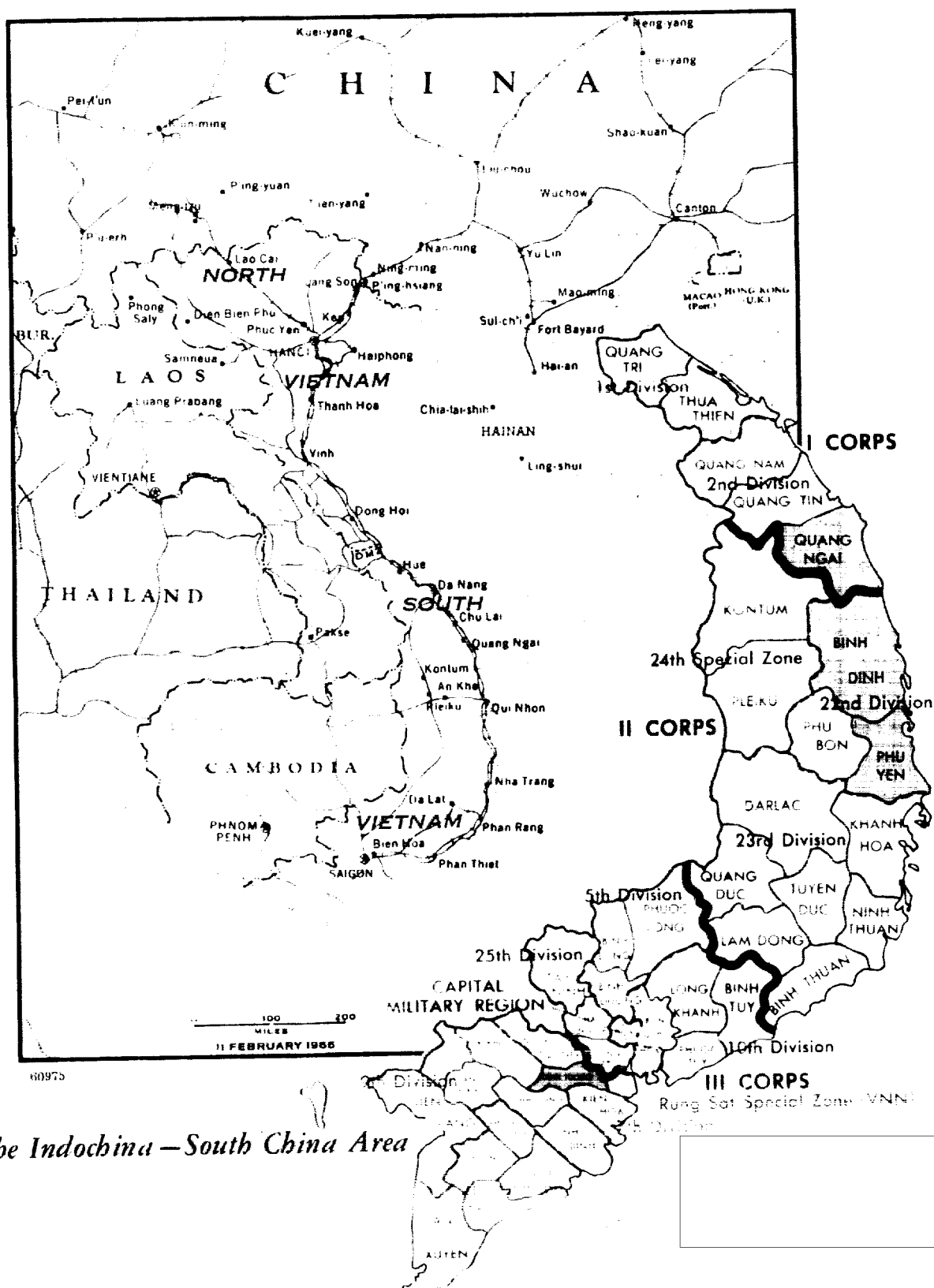
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DRV Diplomats Gather in Hanoi

The list of North Vietnamese diplomats who have returned home

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The Indochina - South China Area

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during the past month continues to grow, and it appears very probable that they have been recalled for a foreign policy review. Almost all the top DRV representatives assigned to free world countries as well as a large portion of Hanoi's diplomats in the bloc are absent from their posts. A general recall of ambassadors has occasionally taken place during February in past years, usually following central committee meetings.

Giap on US Escalation

Hanoi released this week an analysis of military developments in Vietnam by Defense Minister Vo Nguyen Giap which takes into account recent increases in US troop strength and predicts further US escalation of the war. Giap periodically assesses the military situation to inform Vietnamese Communist cadres and military personnel on the official view of the war. The latest article first appeared in a number of the party's publications in mid-January. It claims that the US has now gone beyond the "limits and scope of a special war," and that the use of US troops in a combat role constitutes a new "strategic stage."

By pointing up the "new stage," Giap laid the ground for calling upon the DRV rank and file for greater effort in the war. This may in fact, explain the timing of the article. Giap said at one point

that "our nation must mobilize the forces of the whole country" to defeat the US, and must "do all that is necessary" to bring the war to a successful end.

Even if the US troop commitment should grow to "over 500,000 men," Giap declared, the Vietnamese Communists can still win. In the South, US troops will be spread too thin to be effective and will be hampered by low morale and little or no capacity for fighting a "peoples' war." In the North further bombing can neither cut off "main communications routes" nor shake Hanoi's determination to support the insurgency in the South.

Peking on US Escalation

Chinese propaganda also struck out at US escalation plans, depicting the Honolulu meetings as strategy conferences designed to work out plans for further escalation of the war.

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FRANCE AND NORTH VIETNAM MOVE TOWARD CLOSER RELATIONS

France and North Vietnam appear to be moving toward closer relations, including a higher level of quasi-diplomatic representation. French interests in South Vietnam, however, still keep Paris from giving outright diplomatic recognition to the Hanoi government.

Last December France appointed Francois Simon de Quirielle, who had been ambassador in Gabon and whose personal rank is counselor first class, to replace delegate general Jacques de Buzon (counselor second class) in Hanoi. Both men have been received by North Vietnamese Foreign Ministry officials, but a meeting between De Quirielle and Pham Van Dong in late January was reported in the authoritative French press as indicating a "new dimension" in relations between Paris and Hanoi.

North Vietnam officially favors establishment of normal diplomatic relations. The head of its "commercial mission" in Paris, Mai Van Bo, has had regular contact with political officers of the French Foreign Ministry. French officials deny that their meetings with Bo constitute diplomatic recognition. There have been indications, nevertheless, that Paris will meet Hanoi's desires for more formal recognition by allowing the "commercial mission" to adopt the name "delegation general" used by the French in Hanoi.

De Gaulle's continued opposition to US policy in Vietnam has helped bring Paris and Hanoi closer together. Hanoi obviously sees advantage in a break in the Western front and has implied to French officials that at some point France could serve as a useful intermediary between Hanoi and Washington. De Gaulle has long held that North Vietnamese leaders would eventually dominate a reunified Vietnam once the US was removed, and he sees the French role as offering an alternative to complete North Vietnamese dependence on Peking.

There are still obstacles to French diplomatic recognition of Hanoi if, as Saigon has made clear, that would mean severance of all French relations with South Vietnam. Saigon formally broke diplomatic relations with Paris last June, but their consular representatives still carry out many normal diplomatic functions. For France, this has meant the protection of extensive French-owned properties in South Vietnam, including 125,000 acres in rubber plantation. The French position in the South Vietnamese educational system and other cultural areas, already decreased in recent years, would also be harmed by a complete withdrawal of French diplomatic personnel. Paris has also consistently held that Hanoi must complete payment for nationalized French property in North Vietnam before recognition can be extended, but probably would not stick on this point once De Gaulle took the political decision.

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The Communist World

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USSR REVEALS UNIMPRESSIVE ECONOMIC PERFORMANCE IN 1965

Final figures released by Moscow on last year's performance by the Soviet economy show a generally sluggish condition. More importantly, there is no indication in the 1965 statistics or the 1966 plan that the necessary resources will be allocated to get the economy moving again in the foreseeable future.

Industry last year recovered from the postwar low recorded in 1964, but it is unlikely that this means a return to the high growth rates characteristic of the 1950s. Total investment in 1965 increased by only half the planned amount, and a large part of this increase

was in support of agriculture. The 1966 plan, furthermore, appears to downgrade the relative position of industry in the allocations of scarce investment funds.

Other investment data in the 1965 report are noteworthy for their substantial downward revision of the provisional figures presented at the end of last year. These enabled the USSR in December to claim satisfactory rates of growth in investment in 1965, whereas the new data give a lower basis for comparison that will make the 1966 results appear better than would otherwise be the case.

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The 1965 rate of increase in the production of consumer goods approached that of capital goods for the first time in recent Soviet history. This reflects the availability of ample supplies of agricultural raw materials for light and food industries following the good 1964 harvest as well as a relative increase in the priority assigned by the regime to production in these traditionally low-priority sectors. From the data given, however, it is apparent that the 8-percent rise in the combined output of these industries was almost wholly due to increased food production.

Agricultural production is claimed to have increased last year by a meager one percent, a rate of growth which failed to match the rate of population increase. Soviet statistics indicate that total grain production declined 21 percent to 120.5 million metric tons (MMT),

[redacted] The output of animal products increased enough by Soviet reckoning to keep the official overall figure positive [redacted]

Living standards improved moderately last year in the wake of the largest rise in average nonfarm wages since the war--mainly as a result of the 1964

wage reform for service workers--and a 10-percent increase in retail sales. Although the data on sales of selected consumer goods show substantial growth, the absolute amounts produced still remain far below effective demand.

A 19-percent rise in savings deposits underlines the problems of increasing purchasing power and an inadequate supply of acceptable consumer goods and services. Construction of new housing fell well below both the 1965 plan and the 1959-64 average, even though private cooperative housing increased by 25 percent.

An area of considerable improvement last year was the relative shift of the economy toward supporting agriculture as a consequence of a new program for this sector announced by party first secretary Brezhnev last March. The output of many of the key industrial goods purchased by farms increased last year, and a 16-percent increase in collective farm income was a major factor in the 7-percent rise in real per capita incomes of all workers. Although this trend relatively favoring agriculture is planned to continue throughout the rest of the 1960s, the absolute disparities between the rural sector and the urban industrial complex will persist for years to come. [redacted]

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RUMANIAN-SOVIET FRICTION OVER SOVIET MOLDAVIA

Friction between Rumania and the USSR over the Rumanian irredenta of Bessarabia--now the Moldavian SSR--appears to have revived after a year and a half without appreciable incident. Recent remarks by the Moldavian party first secretary indicated he was concerned about nationalistic propaganda which was creating restiveness among the population. He intimated that some of this propaganda was coming from Rumania. However, both Moscow and Bucharest have so far avoided any formal or polemical exchange over this question.

Bucharest adopted a nationalistic course in the early 1960s, but it kept its feelings about Bessarabia in check until 1964. In October of that year the Rumanian Academy issued a book entitled Notes About Rumania which used four little-known articles by Karl Marx to support historical Rumanian claims to Bessarabia. The manuscripts were critical of Czarist Russia for taking over Bessarabia and had an obvious parallel with the Soviet postwar reannexation of the area.

Rumania's quest for greater autonomy has stressed the development of national consciousness, and the main channel of popular identification with the regime has been the party's appeal to national feelings. In exploiting latent Rumanian nationalism to attract domestic support, however, Bucharest has released

forces that are difficult to confine. Given Rumania's contiguity with Soviet Moldavia, the population of which is 60 percent Rumanian, it is probable that a certain amount of the nationalistic sentiment generated by Bucharest has crept into the area. Whether by design or not, this spillover appears to have contributed to restiveness there.

The Moldavian party secretary probably had this situation in mind last December when he charged that "hostile misinformation penetrates into our country through various channels." He urged the Moldavian party, in educating the population, to be more forthright in dealing with the period when Bessarabia was "under the heel of the usurpers," i.e., the Rumanians.

It was against this background that a highly nationalistic celebration commemorating the 107th anniversary of the union of the ancient Rumanian principalities of Walachia and Moldavia began in January. The intensity of the celebrations far exceeded those commemorating the centennial in 1959 and stimulated a strong nationalistic popular response which had political overtones. For example, at Iasi, just across the border from Soviet Moldavia, a folk dance troupe on a televised contest gave such a stirring rendition of Rumania's national dance, the "Hora," that judges and audience alike joined in. Presumably, the program also

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RUMANIA



reached Moldavians of Rumanian origin, who probably recognized the music which was composed in 1859 to popularize national unity.

Bucharest apparently is determined to continue using Rumanian nationalism to buttress

the regime's popularity. Emphasis on Rumania's historical identity, therefore, probably will be intensified as the 45th anniversary of the Rumanian party approaches on 11 May, even though it runs the risk of further irritating the Soviets.

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EAST GERMANS TAKE HARD LINE IN BERLIN PASS NEGOTIATIONS

After failing initially to react to the West Berlin Senat's 25 January proposals for a far-reaching Berlin pass agreement, the East Germans assumed a tough negotiating position in the pass talks held on 4 February. Michael Kohl, the East German negotiator, derided the proposals made by the Senat's representative, Horst Korber, and presented a counterproposal designed mainly to advance East German political goals. Korber characterized the East German position as the "toughest approach" yet.

Kohl's draft provides for a very limited agreement valid only until 30 June, with visits at Easter and Whitsuntide, and for the operation of the hardship pass office until that date. It contains several provisions which

would in effect bestow quasi-consular status on the pass application offices and refers to the crossing points at the Wall as "frontier" crossing points. In addition, the signature formula proposed for the agreement describes East Berlin as the capital of the German Democratic Republic.

Kohl's rejection of the earlier Senat proposals was not unexpected. His counterproposals and negative attitude suggest, moreover, that the East Germans will not accept any long-term agreement, will drive a hard bargain for any short-term agreement, and probably are even prepared, if necessary, to forgo visits at Easter and Whitsuntide as they did in 1964.

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Asia-Africa

COMMUNISTS INCREASE PRESSURE IN NORTHERN LAOS

The Communists are increasing pressure against several government positions in northern Laos.

In the Samneua area, a government battalion suffered 18 killed and 24 wounded before withdrawing on 6 February from a defensive position a few miles north of Na Khang, a key position astride Route 6. Government reinforcements are being brought into Na Khang for a counterattack.

Their objective apparently is to open Route 6 as an alternate source of supply to the Plaine des Jarres.

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SUKARNO MAKING GRADUAL HEADWAY IN COMEBACK

President Sukarno seems to be making gradual progress in his limited offensive directed at restoring his authority as Indonesia's supreme leader, finding a source of armed strength, reorganizing the political left, and further reducing the army's area of political action.

Sukarno's current line is that the presidency, the armed forces, and the people are united and that he embodies all three.

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Although Sukarno appears to be placing less stress in public on the political left, he has not abandoned his efforts to reconstruct it. He appears to be encouraging activity by the Communist-controlled Indonesian Students Movement, an organization that was relatively unaffected by army arrests related to the 1 Oc-

tober coup.

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On direct orders of Sukarno, the Djakarta army commander arrested several anti-Communist student leaders who participated in a 3 February demonstration against the Chinese Communist Embassy. The army has since banned all demonstrations in the Djakarta area.

The army is taking relatively few countermeasures. New appointments in several territorial commands may strengthen army chief General Suharto's control within the army against further probes by Sukarno. Army leaders want maximum publicity for the military trials of coup leaders scheduled to begin on 14 February. Suharto has already announced that the trials will be public.

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INDIA AND PAKISTAN IMPLEMENT TASHKENT ACCORD

Considerable progress has been made in implementing the Tashkent Declaration of 10 January. The schedule for withdrawal of Indian and Pakistani troops to positions held prior to 5 August 1965 is apparently being carried out smoothly. In late January troops in front-line positions withdrew some 1,000 yards; by 20 February all defenses in occupied territory are to have been dismantled, and the withdrawal to prewar lines is to be completed by 25 February. About 1,500 prisoners have been repatriated.

Progress has not been as dramatic in re-establishing political and commercial relations. High commissioners have returned to the two capitals and agreement has been reached on permission for overflights of each other's territory by commercial aircraft. The two governments have also reached agreement for resumption of postal and telecommunications lines, but removal of trade and transport restrictions remains to be worked out.

While the press and radio in both countries have generally tended to observe the Tashkent prohibition against engaging in violent attacks on the government of the other country, muted criticism of official actions continues. The Indians reacted angrily to Pakistan's proposals that Kashmir be the first item of business at a proposed joint meeting of cabinet ministers to be held later this month or in early March. The Pakistanis, in turn, were highly critical of statements by the Indian ministers of external affairs and defense reiterating that Kashmir is and

must remain an integral part of the Indian Union.

Both governments are forced to treat the Kashmir issue with great caution. When the Indian Parliament reconvenes on 14 February, the opposition parties can be expected to try to capitalize on any popular dissatisfaction with Tashkent. With national elections scheduled for early next year, Mrs. Gandhi's government will be hard put to make significant concessions on Kashmir.

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In Pakistan, bitterness and disillusionment with Tashkent continue to be widespread, although the violent demonstrations of mid-January have ceased. President Ayub, in replying to his critics, has publicly termed Tashkent "a beginning and not an end" in the search for a solution on Kashmir. He has also indicated that the issue will again be taken to the UN Security Council unless there is progress at the forthcoming joint ministerial meeting.

Ayub's opposition evidently hopes to use Tashkent not only as a means to erode popular support for the President, but also as a weapon to force his regime into granting some relaxation of political controls. Meeting in Lahore on 5 and 6 February, some 700 representatives of four major opposition parties denounced Tashkent and called for an end to the state of emergency imposed last autumn during the hostilities.

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MAKARIOS TALKS IN ATHENS DARKEN CYPRUS PICTURE

The communiqué issued last week following the recent talks in Athens between Cypriot President Makarios and top officials of the Greek Government has reopened old wounds and brought a new air of pessimism about a solution of the Cyprus problem.

The communiqué rejected the possibility of any solution which excludes union of Cyprus with Greece or includes any partition of the island. The communiqué also reiterated that the Cyprus problem is not a dispute between Greece and Turkey but rather a

question of "unfettered independence" for Cyprus.

The pronouncement drew a sharp reaction from Turkey.

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there are press reports of military alerts on both sides of the Greek-Turkish border.

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The renewed hostility jeopardizes the possibility of further bilateral talks between Athens and Ankara and makes the early resumption of UN mediation efforts more difficult. Although

the island remains generally quiet, the next rotation of Turkish troops, scheduled for March, could bring trouble.

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LONDON TIGHTENING ECONOMIC VISE ON RHODESIA

Britain has taken a further step to tighten its squeeze on the Rhodesian economy. It hopes to prevent the marketing this spring of Rhodesia's largest export commodity--tobacco--by a recent order in council making illegal both the export and the sale for export of Rhodesian tobacco. The new measure is designed to discourage speculators from buying the 1966 crop and storing it until after the defeat of the rebel regime, when it would be salable to countries which now boycott Rhodesian tobacco. The order in council provides that the new government replacing a defeated Smith regime would seize tobacco stored for export without remuneration to the owners. It is possible for speculators to circumvent the new law by storing their tobacco outside Rhodesia, but Britain is looking for ways to plug this loophole.

Meanwhile, the Smith government still has not been able to circumvent the British-inspired oil embargo against Rhodesia. Although the rebel regime

may have found pirate firms willing to sell it petroleum, it apparently still has not made arrangements for transporting sufficient quantities into landlocked Rhodesia.

There are further indications that President Kaunda will postpone a total economic break with Rhodesia beyond 15 February--the date he agreed on with Prime Minister Wilson. Kaunda seems to be increasingly concerned about the apparent reluctance of Zambian Africans to accept the economic hardships which would result from a complete loss of trade with Rhodesia. He may want to allow more time for Britain's effort to get Zambia in a position to withstand such a rupture with Rhodesia with less hardship to Zambians.

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Europe

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UNREST IN BELGIUM

A last-minute intervention by King Baudouin averted a government crisis in Belgium last weekend, but Prime Minister Harmel offered his resignation again on 10 February after the 12 Socialist ministers had quit the cabinet. Any successor government will find it hard to cope with the fundamental problem of immobility caused by the need to balance all political activity on ethnic, economic, and religious-secular lines.

Harmel's Catholic-Socialist coalition government first offered its resignation--which the King refused to accept--on 4 February in a dispute over socialized medicine. Belgium's doctors, backed by the Catholic party, are opposed on several health insurance issues by organized labor and the Socialists.

The problems in the coal regions--where rioting was suppressed by paratroops in late January--show

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how ethnic considerations complicate already difficult economic problems. Forced by budgetary considerations to cut subsidies and cause the closing of some uneconomic mines, the government took care to balance the effects in Wallonia (French-speaking) and Flanders (Dutch-speaking). It particularly feared repercussions in Wallonia, where economic deterioration and political alienation have become marked in recent years, and took measures to attract new investment there. As a result, protest demonstrations were on a low key in Wallonia but violent riots

erupted in the Flemish coal fields where chauvinists had evidently persuaded the miners of government favoritism for the Walloons.

Foreign Minister Spaak, a Socialist himself, has suggested that the next prime minister will be 68-year-old Achille van Acker, a Socialist prime minister in the 1950s. He would most likely be considered to head a Socialist-Liberal coalition or, possibly, a government of national unity which would include the Catholics as well. However, a government might be formed by the Catholics and the business-oriented Liberals.

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Western Hemisphere

URUGUAY CONSIDERS SOVIET TRADE OFFER

The Soviet Union reportedly has offered Uruguay a \$30-million trade deal involving five-year credits at three-percent interest. Uruguay would buy Soviet crude oil, agricultural machinery, and industrial raw materials. In exchange, the Soviets would purchase nontraditional Uruguayan exports such as rice, shoes, woolens, and other manufactures.

This offer differs considerably from past proposals which had concentrated on swaps for Uruguayan meat and wool, commodities readily salable on the world market for dollars. Its presentation at this time is probably politically motivated and primarily intended to offset the unfavorable Uruguayan reaction to Soviet support for the declarations of the Tri-continental Conference. It may also be intended to impede Uruguay's current negotiations for a \$15-million standby agreement with the IMF. Other foreign assistance is tied to the successful conclusion of this agree-

ment, which would require severe government retrenchment, a hard step to take during an election year. Should the IMF negotiations fail, economic deterioration, with its favorable climate for local Communist exploitation, would be likely to continue.

Although the Soviet trade offer is no doubt attractive to the Uruguayan Government, press attacks on the USSR for its role at Havana continue unabated. The daily owned by the dominant faction of the ruling Blanco Party applauded the government's order of 27 January to investigate the activities of bloc embassy personnel in Montevideo and concluded that National Councilor Heler's December proposal for a diplomatic break with the USSR should not be forgotten.

Past bloc offers have generally resulted in little additional trade. More may come of this proposal, however, since it seems advantageous to both parties.

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ECUADOREAN DEMONSTRATORS FAIL TO BRING OFF MASS PROTEST

Students have played the main role in nearly two weeks of demonstrations in Ecuador. These protests, although widespread, failed to attract mass participation in the face of carefully planned riot control measures. Communist activists and some political elements encouraged the protests against the junta and its plans for transition to civilian rule. Despite limited labor support on 7 February, student efforts have been confined to harassment and scattered bombings.

The inability of political groups to stir up an effective mass protest, even with the opportunity afforded by the anniversary of the hated Rio Protocol on 29 January, leaves them with a choice of cooperating in the electoral procedure, abstaining, or attempting to win their desires through a coup. Their reluctance thus far to nominate candidates and prepare for open campaigns--despite repeated assurances that they are free to do so--threatens to undermine the entire transition process.

Followers of ex-presidents Velasco and Ponce, who have attempted to exploit the demonstrations, are incited by the virtual certainty that re-election of former presidents will not be permitted.

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CUBAN-CHINESE RELATIONS DETERIORATING FAST

Fidel Castro's stinging denunciation of Peking on 6 February has brought Cuban-Chinese relations to a new low. Although Castro now may expel Chinese press or information representatives, formal diplomatic ties are likely to be maintained for the time being.

Peking's ties with Havana have been steadily deteriorating for the past year, primarily because of the increasingly explicit support Castro has given Moscow in the Sino-Soviet dispute. The Chinese have responded first by stepping up their propaganda activities in Cuba and finally by cutting back shipments of much-needed rice to Cuba. This attempt at coercion exposed Sino-Cuban differences in spectacular fashion in early January.

Castro's latest outburst was in large part prompted by Chinese efforts to spread anti-Soviet literature among the Cuban armed forces and government officials. Castro charged that the Chinese had also tried to exert personal influence on Cuban officers.

Chinese propaganda efforts in Cuba have been a source of friction between Havana and Pe-

king for about a year. In March 1965, Castro made his first public statement critical of Peking's polemics

Castro's intense resentment of Peking's intrusions does not reflect a serious concern over the loyalty or morale of the Cuban armed forces. The Cuban Communist Party (CCP) has been organizing cells in military units for more than a year, and the armed forces are considered loyal and responsive to Castro. The officer corps plays a dominant role in the CCP, and is made up essentially of Castro's long-time revolutionary colleagues.

Castro's attack on the Chinese also sought to make Peking a scapegoat for recent setbacks in the Cuban economy. He blamed China for a "criminal act of economic aggression" because it cut 1966 trade with Cuba back to the 1964 level. The reduction in Chinese rice shipments affects only about a third of Cuba's regular rice supply, but because of poor domestic harvests Castro has been forced to cut rice rations in half.

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OPPOSITION CANDIDATE WINS COSTA RICAN PRESIDENCY

Jose Joaquin Trejos of the opposition coalition National Unification Party has been elected President of Costa Rica by a narrow margin over Daniel Oduber, candidate of the ruling National Liberation Party (PLN). The PLN has not conceded defeat and may seek to void the results of the voting, perhaps by force. Under such circumstances right-wing elements might try to forestall a PLN take-over by use of their private "armies."

Trejos' victory did not extend to the Legislative Assembly, where the PLN won a narrow majority. The presidential inauguration is scheduled for 8 May.

Probably the most decisive factor in Oduber's defeat was the opposition's success in exploiting its charge that he is "soft on Communism." This issue was given particular prominence during the final stage of the campaign when an estimated 20 percent of the electorate was still undecided. Election returns also show that the popularity of Rafael Calderon Guardia, former president and leader of one of the major parties

(Republican) in the coalition had a significant influence.

There were other issues which helped Trejos. Aside from popular sentiment "for a change," some of the more sophisticated voters realized that victory for the PLN--the dominant Costa Rican party since the 1950s--would make it the country's institutionalized party for many years. In addition, followers of rightist Frank Marshall Jimenez, leader of the Revolutionary Civic Union Party, probably supported Trejos. Trejos, 49, is generally regarded as a moderate Republican. He is a political novice and has been a professor of mathematics at the University of Costa Rica since 1944. His ability to form a cohesive executive and put through severely needed economic reforms is highly doubtful because of the diversity of political views represented in the coalition and the lack of a legislative majority.

A Trejos administration would continue Costa Rica's traditional friendly relations with the US, and probably stress self-help measures in the Alliance for Progress.

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THE DOMINICAN SITUATION

The possibility of a negotiated solution to the civil-military confrontation in the Dominican Republic has become more remote following the outbreak of violence between the national police and the Communist-controlled Dominican

Student Federation on 9 February and a stiffening of Defense Minister Rivera's terms for leaving the country. The killing of several students by police during a demonstration outside the National Palace touched off a wave of

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disorders in which two policeman were slain. The incident aroused hatreds that had been somewhat calmed during the preceding week and underscores the fact that reconciliation of the opposing Dominican factions is still distant.

Rivera, who had appeared finally on the verge of leaving the country voluntarily, has expressed apprehension over President Garcia Godoy's inability to control Communists and leftists as well as concern over the continued alienation of the security forces and the general populace. Rivera now has reverted to his demand that the rebel military camp must be completely disbanded before he will leave. This position was backed up Colonel Perez y Perez, slated to replace Rivera

Late on 9 February Garcia Godoy told US officials that in view of the disturbances he now doubted the adequacy of the formula for resolving the crisis by reassignment of the defense minister but not the service chiefs. The President feels that public opinion has crystallized against the military and that this in turn has increased the chances that a Communist-threatened general strike will be successful. The President will probably find himself under increasing leftist pressure to remove the chiefs, but he is probably overestimat-

ing the success the strike would have, since a representative of Juan Bosch's party has said the party will attempt to "pacify the situation."

Garcia Godoy has apparently decided to go ahead with the planned replacement of the national police chief, General Despradel, despite his earlier promise that this move would be postponed until after Rivera's departure. An indication that the shooting incident has aroused the President's distaste for the military establishment is shown by his intention to ask the Inter-American Peace Force (IAPF) rather than the Dominican Army to back up the police in case violence breaks out in connection with the threatened general strike.

With the 1 March date for the opening of political campaigning rapidly approaching, it is doubtful that Garcia Godoy will be willing to engage in another round of prolonged negotiations to get either Rivera or the military chiefs to depart. Although the President will probably make an attempt to bargain for their exit, the odds that he will ask the IAPF to aid in their ouster seem increased. If the President feels that the backing the IAPF is prepared to give is not sufficient, he may again consider carrying out his threat to resign and "turn the government over to the military."

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